

PEKING REVIEW

36

September 5, 1975

**Chairman Mao Meets
Cambodian Guests**

**Commemorating 30th Anniversary of Victory
In War of Resistance Against Japan**

— "Renmin Ribao" editorial

Viet Nam's Glorious Day Celebrated

北
京
周
報

PEKING REVIEW

北京周報

Vol. 18, No. 36 September 5, 1975

Published in English, French, Spanish,
Japanese and German editions

CONTENTS

THE WEEK

3

- Chairman Mao Meets Cambodian Guests
- Message of Congratulations on 30th Anniversary of Founding of Democratic Republic of Viet Nam
- China Recognizes Bangladesh
- Hua Kuo-feng Leads Central Delegation to Lhasa
- Korean Acrobats in Peking
- Rich Early-Rice Harvest

ARTICLES AND DOCUMENTS

- Commemorating 30th Anniversary of Victory in War of Resistance Against Japan
— *Renmin Ribao* editorial 7
- Viet Nam's Glorious Day Celebrated 9
- Planned Purchase and Marketing of Grain—the theoretical group of the Peking Municipal Grain Bureau 10
- Why Karl Marx Studied Political Economy—Hsueh Kung 12
- Socialist Agriculture: Simultaneous Expansion of Industrial Crops and Grain Production—How a cotton-growing area becomes self-sufficient in grain—Sang Kao 14
- Soviet Collective Farms Degenerate 17
- Facts and Figures:
 - Soviet Agriculture in a Mess 19
 - Victims of Soviet Grain Buying Spree 19
 - Moscow Steps Up Interference in Angola 20

ROUND THE WORLD

21

- Thailand: Ten Years of People's Armed Struggle
- Venezuela: Oil Nationalization
- "En Marcha" (Ecuador): Opposing Maritime Hegemony
- Britain: Deepening Economic Crisis

ON THE HOME FRONT

23

- Workers' Spare-Time Study Groups
- Tea-Oil Production
- Old Folks Enjoy Happy Life

Chairman Mao Meets Cambodian Guests

CHAIRMAN Mao Tsetung on the evening of August 27 met with Samdech Norodom Sihanouk, Head of State and Chairman of the National United Front of Cambodia, and Madame Sihanouk; Samdech Penn Nouth, Chairman of the Political Bureau of the Central Committee of the National United Front and Prime Minister of the Royal Government of National Union of Cambodia, and Madame Penn Nouth; Khieu Samphan,

Deputy Prime Minister of the Royal Government of National Union and Commander-in-Chief of the People's Armed Forces of National Liberation of Cambodia, and Ieng Thirith, Minister of Popular Education and Youth.

A cordial and friendly atmosphere prevailed throughout the meeting. Chairman Mao warmly praised the Cambodian people for daring to fight and win and achieving complete victory in their war for national



Chairman Mao Tsetung shaking hands with Samdech Norodom Sihanouk.

liberation in a little over five years. When Samdech Norodom Sihanouk thanked the Chinese people for their support to the Cambodian people, Chairman Mao pointed out that it was not the Chinese people who had given what is called assistance to the Cambodian people, but the Cambodian people who had supported the Chinese people. Samdech Norodom Sihanouk said: The

entire Cambodian people will never forget the historic statement issued by Chairman Mao on May 20, 1970.

Vice-Premier Teng Hsiao-ping, Vice-Foreign Minister Wang Hai-jung and Deputy Department Directors of the Foreign Ministry Chi Tsung-hua and Tang Wen-sheng, and Hsieh Yueh-o attended the meeting.



Chairman Mao Tsetung shaking hands with Prime Minister Fann Nouth.



Chairman Mao Tsetung shaking hands with Deputy Prime Minister Khieu Samphan.

Message of Congratulations on 30th Anniversary Of Founding of Democratic Republic of Viet Nam

Comrade Ton Duc Thang,

President of the Democratic Republic of Viet Nam,

Comrade Le Duan,

First Secretary of the Central Committee of the
Viet Nam Workers' Party,

Comrade Truong Chinh,

Chairman of the Standing Committee of the Na-
tional Assembly of the Democratic Republic of Viet
Nam,

Comrade Pham Van Dong,

Premier of the Government of the Democratic Re-
public of Viet Nam,

Hanoi

On the occasion of the 30th anniversary of the
founding of the Democratic Republic of Viet Nam, we
wish to extend, on behalf of the Communist Party of
China and the Chinese Government and people, our
warm congratulations to the Viet Nam Workers' Party,
the Government of the Democratic Republic of Viet
Nam and the fraternal Vietnamese people.

Under the leadership of the Viet Nam Workers'
Party and President Ho Chi Minh, the heroic Vietnamese
people, after carrying on a protracted and arduous
struggle, successfully launched the "August Revolution"
and founded the Democratic Republic of Viet Nam.
In order to defend their national independence and
oppose imperialist and colonialist aggression and inter-
vention, they have in the past 30 years advanced
wave upon wave, waged valiant, tenacious and unyield-
ing struggles and won one splendid victory after
another. Particularly in the last decade or so, in the
face of U.S. imperialist aggression, the Vietnamese peo-
ple, holding high the banner of "Firm resolve to fight
and win" of President Ho Chi Minh and, fearing no
sacrifice, fought arduously and bravely, gave full play
to the mighty power of people's war and finally drove
out the aggressor, destroyed the puppet regime and
completely liberated south Viet Nam, thereby winning
the great victory of their war against U.S. aggression
and for national salvation. The victory of the Vietna-
mese people has not only added a brilliant page to the
history of their national liberation, but also provided
another testimony that a weak nation can defeat a

strong and a small nation can defeat a big. It is a
major contribution to the anti-imperialist revolutionary
cause of all the oppressed nations and oppressed peoples.

The strength of the people is great. No one can stem
the tide of history. The revolutionary practice of the
three Indochinese peoples is an eloquent proof that there
are no saviours. Only by relying on their own strength
and taking up arms to wage resolute struggles can the
oppressed nations and oppressed peoples foil imperialist
aggression, win genuine independence and liberation
and become masters of the fate of their own countries.

The Vietnamese revolution has now entered a new
historical period. With joy over the victory, the people
in north Viet Nam are actively engaged in a labour emu-
lation drive in an endeavour to rehabilitate and develop
the national economy and advance socialist construction.
Conscientious as masters of their own destiny, the peo-
ple in south Viet Nam are rebuilding their homeland and
consolidating and developing the fruits of victory. We
are convinced that the Vietnamese people with their
glorious revolutionary tradition, carrying forward the
revolutionary spirit of the war years and continuing to
surmount all difficulties and obstacles, will surely build
Viet Nam into a peaceful, reunified, independent, demo-
cratic and prosperous country.

China and Viet Nam are socialist fraternal neigh-
bours. In the long revolutionary struggle, our two peo-
ples have always supported and encouraged each other.
May the militant unity and revolutionary friendship be-
tween the Chinese and Vietnamese peoples grow in
strength and develop daily!

Mao Tsetung

Chairman of the Central Committee of
the Communist Party of China

Chu Teh

Chairman of the Standing Committee
of the National People's Congress
of the People's Republic of China

Chou En-lai

Premier of the State Council of
the People's Republic of China

—Peking, September 1, 1975

China Recognizes Bangladesh

Premier Chou En-lai on August 31 cabled a message to President Khandaker Moshtaque Ahmed, informing him that the Chinese Government recognizes the People's Republic of Bangladesh.

The message reads in part: "On behalf of the Government of the People's Republic of China, I have the honour to inform you that the Chinese Government recognizes the People's Republic of Bangladesh as from this date. I am convinced that the traditional friendship between our two peoples will grow steadily."

Premier Chou En-lai on September 1 received a reply from President Khandaker Moshtaque Ahmed welcoming recognition of Bangladesh by the Chinese Government.

The reply said: "The recognition has been warmly welcomed by my government and the people of Bangladesh and is a reaffirmation of the traditional friendship and links that have bound the people of our two countries. I am confident that our relations will be further strengthened and consolidated in the mutual interest and benefit of the two countries and the two peoples. On this occasion I wish to convey my personal greetings through you to His Excellency Chairman Mao, Your Excellency and those from the people and Government of the People's Republic of Bangladesh to the people and Government of the People's Republic of China."

Hua Kuo-feng Leads Central Delegation to Lhasa

A central delegation led by Hua Kuo-feng, Member of the Political Bureau of the Central Committee of the Communist Party of China and Vice-Premier of the State Council, left Peking by special plane on the morning of August 31 for Lhasa to take part in the celebrations of the tenth anniversary (which falls on September 9) of the founding of the Tibet Autonomous Region and convey the warm greetings and cordial regards of our great leader Chairman Mao and the Party Central Commit-

tee to the people of various nationalities in the region.

Deputy leaders of the delegation are: Yao Lien-wei, Alternate Member of the C.P.C. Central Committee and Vice-Chairman of the Standing Committee of the National People's Congress; Yen Cheng, Political Commissar of the Chengtu Units of the Chinese People's Liberation Army; Ismayil Aymat (Uighur nationality), Member of the C.P.C. Central Committee and Secretary of the C.P.C. Sinkiang Uighur Autonomous Regional Committee; Paojihletai (female, Mongolian nationality), Member of the C.P.C. Central Committee, Secretary of the C.P.C. Inner Mongolian Autonomous Regional Committee and Vice-Chairman of the Inner Mongolian Autonomous Regional Revolutionary Committee; Ho Cheng-wen, Deputy Chief of General Staff of the P.L.A.; and Sun Yu-kuo, Alternate Member of the C.P.C. Central Committee, Member of the N.P.C. Standing Committee and Deputy Commander of the P.L.A. Shenyang Units.

Seeing the delegation off at the airport were leading comrades of the Party and government, including Chang Chun-chiao, Yao Wen-yuan, Li Hsien-nien, Wu Teh and Wu Kuei-hsien.

Korean Acrobats in Peking

The September 2 premiere of the Korean Pyongyang Acrobatic Troupe in Peking was warmly welcomed.

Attending the opening ceremony and premiere were Chang Chun-chiao, Member of the Standing Committee of the Political Bureau of the Communist Party of China and Vice-Premier of the State Council; Wu Teh, Member of the Political Bureau of the C.P.C. Central Committee and Vice-Chairman of the Standing Committee of the National People's Congress; Wang Chen, Member of the C.P.C. Central Committee and Vice-Premier of the State Council as well as over 14,000 people in the capital.

During the interval, Chinese leading comrades met and had a cordial and friendly conversation with Chang Chun Sop, Korean Vice-Minister of

Culture and Art and leader of the acrobatic troupe.

Rich Early-Rice Harvest

China brought in a rich early-rice harvest following the substantial rise in output last year. Both total and per-hectare yields chalked up all-time records.

Though there were slight drops in the yield in some areas hit by natural adversities, the southern provinces which have completed their harvest registered increases over 1974 in most areas.

A per-hectare yield of 4.5 tons for a single crop was gathered in most regions in Hunan Province that planted early rice on more than two million hectares. A rise was effected in all the counties of Shanghai, the Szechow Prefecture in Kiangsu Province and the Lunghsi Prefecture in Fukien Province, all noted for their high yields. Increases were reported by the Kwangsi Chuang Autonomous Region and Hupeh, Yunnan and Kwangtung Provinces, with some counties averaging over 6 tons per hectare.

China owes its rich harvest of early rice to the tenacious fight against natural disasters put up by rural cadres and commune members, particularly to their conscientious study of the theory of the dictatorship of the proletariat and their criticism of the absurd conception that "everything is decided by heaven," a component part of the doctrines of Confucius and Mencius.

Freak weather, excessive rainfall and low temperatures affected many parts of southern China during the crucial period of nursing and transplanting early-rice seedlings. The wet spell lasted 50 to 60 days in some areas but the commune members used all the drainage equipment available to remove the excessive water in the fields. The nation enlarged its early-rice acreage by 110,000 hectares compared with 1974. Improved strains and better scientific management were adopted. Water conservancy works built in recent years helped to offset the adverse weather.

Commemorating 30th Anniversary Of Victory in War of Resistance Against Japan

"Renmin Ribao" editorial

IN the excellent situation marked by one brilliant victory after another by the people of Asia and the world over in the struggle against colonialism, imperialism and hegemonism, the Chinese people usher in the 30th anniversary of the victory of the War of Resistance Against Japan. On this occasion, together with the people of other countries in Asia and the world, we warmly celebrate the historic victory over the Japanese fascist aggressors.

When the anti-Japanese war broke out on a full scale, our great leader Chairman Mao penetratingly pointed out that this war of national liberation waged by the Chinese people was a war, "which has no precedent in the history of the East, and which will go down as a great war in world history too." At the time, Japanese imperialism had mustered all its financial and material resources and manpower to launch a barbarous war of aggression against China. In the face of Japanese fascism's wild ambitions to annex China and then occupy Asia, the Chinese people, under the wise leadership of Chairman Mao and the Chinese Communist Party and with the co-ordination and support of the people the world over, fought heroically and unswervingly for eight years and, after going through countless difficulties and hardships and making numerous self-sacrifices, finally defeated the Japanese aggressors. This was a heroic undertaking by an oppressed nation and oppressed people who defeated imperialist counter-revolutionary war by protracted revolutionary war; it represented a great victory for Marxism-Leninism-Mao Tsetung Thought.

Japanese fascism's final defeat formally proclaimed the end of World War II. In this gigantic battle, the people of China, Korea, Indochina and many other Asian countries, relying on their own strength in waging prolonged armed struggles, pinned down the aggressors, wiped out large numbers of their effectives and played the decisive role in defeating Japanese fascism. The armed forces and people of the then socialist Soviet Union led by Comrade Stalin performed

great meritorious deeds in battle. Other countries and people in the anti-fascist alliance all made positive contributions. The people of Japan too carried out heroic struggles against Japanese militarism. The victory over Japanese fascist aggression was an important component part of the victory in the war against fascism by the world's people; it opened up still wider possibilities for the emancipation of the people of the world, especially of Asia, and charted a still more realistic course for its achievement.

The Asian and world situation has undergone tremendous and profound changes in the 30 years since the end of the war. With its growing strength, the fast rising third world has become the main force in the struggle by the world's people against colonialism, imperialism and hegemonism; it has become a great motive force pushing history forward. In Asia, the victory of the Chinese revolution breached the eastern battlefield of imperialism and dealt imperialism a heavy blow. The Korean people founded the Democratic People's Republic of Korea, repulsed the attack of U.S. imperialism and its lackeys, and thus safeguarded the fruits of the Korean revolution. The brilliant victories won by the people of the three countries in Indochina after protracted armed struggle signified that their revolutionary struggle has entered a new stage. The national-liberation movements of the people of various Asian countries are developing vigorously. Gone are the days when colonialism, imperialism and hegemonism could decide the destiny of Asia and trample Asian countries underfoot at will.

Taking advantage of old-line imperialism's decline in strength after the end of World War II, U.S. imperialism climbed to the position of hegemony in the capitalist world by means of its war-inflated economic and military power. Later, with revisionism coming to power, the Soviet Union degenerated into a social-imperialist state and took the road of contending with U.S. imperialism for world hegemony. Factors for a new world war are increasing as Soviet-U.S. contention

for hegemony intensifies. Their contention is focused on Europe, but it is very sharp and fierce in Asia and the Pacific region too, and there is no issue on which it has not cast its shadow. Soviet revisionism, that insatiably avaricious social-imperialism, particularly is poking into every nook and corner. Soviet-U.S. contention for hegemony is the root cause of intranquillity in Asia as well as in the world.

As this contention intensifies, the wild ambitions of Soviet social-imperialism in pushing hegemonism in Asia have been revealed to an increasing extent in recent years. Soviet revisionism has occupied foreign territories in Asia and dispatched occupation troops and established military bases there. Its fleets recklessly cruise the Pacific and Indian Oceans to show off its military strength and menace the independence and security of Asian countries. It has sent spies to steal intelligence in foreign countries, groomed its agents there, interfered in the internal affairs of these countries, engineered subversive schemes against them, and even abetted and supported one country in dismembering another sovereign state by force of arms. It uses military and economic "aid" to plunder, infiltrate and control other countries, sell munitions on a large scale and disguise its export of capital and its practice of usury. At the same time, it energetically peddles its "Asian security system" in an intensified effort to contend with the United States and split and control Asian countries and bring them into spheres of influence of Soviet revisionism step by step.

But the people of the Asian countries, who have rich experience in struggle, will never let any superpower lord it over them. Vigilantly, they have recognized that to oppose superpower hegemonism and guard against "letting the tiger in through the back door while repelling the wolf at the front gate" have become their common tasks of struggle at present. Whether in the world as a whole or in Asia and the Pacific region, opposition to hegemonism is a question of principle which concerns the vital interests of the people of all countries and on which there must be no equivocation.

Speaking of the history of the three imperialist states — Germany, Italy and Japan — trying to dominate the whole world, Chairman Mao pointed out: "But what was the result? Did it not turn out that the attempt of these three imperialist states was insane and futile? Can it not be said that the results turned out exactly contrary to their wishes? Was it not the imperialists who aimed at dominating the world that were defeated?"

Both past and present experiences tell people that whoever pursues hegemonism and seeks to impose hegemonic rule on Asia or on the world as a whole is bound to be opposed and overthrown by the people of

Asia and the world and come to a shameful end. The Japanese fascists' dream of dominating Asia was dashed years ago. Since the war, U.S. imperialism has suffered one heavy defeat after another. Likewise, Soviet social-imperialism, which is now stepping into the shoes of the fascist aggressors in seeking hegemony, will certainly not be able to escape the punishment to be meted out by history.

The people of Japan, like the people of other Asian countries, personally suffered from the policy of hegemony pursued by Japanese fascism. They have greatly heightened their consciousness since the war and are resolutely opposed to the revival of Japanese militarism and any forces seeking hegemony in Asia and the Pacific region. They have a common interest with the people of the other Asian countries in the struggle against hegemonism. Opposition to hegemonism has become a trend of history. Though there are still a handful of people in Japan who cherish the dream of reviving militarism, we believe the Japanese people will never allow a retrogression in the future history of Japan and Asia. After protracted efforts by the people of China and Japan, the Chinese and Japanese Governments issued a joint statement in 1972 which ended the state of war and normalized diplomatic relations between the two countries, thus opening a new chapter in the annals of Sino-Japanese relations. The joint statement of the Chinese and Japanese Governments is the criterion guiding the relations between the two countries. We are willing to work for the further development of good-neighbourly and friendly relations between both countries on the basis of the joint statement. The people of China and Japan must remain friendly to each other from generation to generation.

The present world situation is continuing to develop in a direction favourable to the people of various countries. If imperialism dares to start a new world war, it will inevitably hasten its own destruction and expedite the winning of new victories in the revolution of the world's people. Whether war gives rise to revolution or revolution prevents war, in either case the future of the world is infinitely bright.

China is a developing socialist country belonging to the third world. We have consistently followed Chairman Mao's teachings, firmly supported the just struggle of the oppressed nations and oppressed people and firmly opposed hegemonism; we will never be a superpower and will never seek hegemony. As always, the Chinese people will constantly strengthen their unity with the third world and the people the world over and carry the struggle against colonialism, imperialism and hegemonism through to the end.

(September 3)

Viet Nam's Glorious Day Celebrated

SEPTEMBER 2, the 30th anniversary of the founding of the Democratic Republic of Viet Nam, a red-letter day of the fraternal Vietnamese people, was joyfully celebrated by the Chinese people.

A Chinese Party and government delegation was sent to Hanoi to attend the celebrations there; its leader was Chen Hsi-lien, Member of the Political Bureau of the Central Committee of the Communist Party of China and Vice-Premier of the State Council, and deputy leader Ulanfu, Member of the C.P.C. Central Committee and Vice-Chairman of the Standing Committee of the National People's Congress. In Peking, *Renmin Ribao* marked the occasion with an editorial. A reception was jointly hosted by the Chinese People's Association for Friendship With Foreign Countries and the China-Viet Nam Friendship Association, which also were co-sponsors of a photo exhibition "Thirty Years of Brilliant Victories in Viet Nam."

D.R.V.N. Ambassador's Reception

On September 2, D.R.V.N. Ambassador Nguyen Trong Vinh gave a national day reception which was attended by Chinese Party and state leaders Teng Hsiao-ping, Yao Wen-yuan, Wu Teh, Wu Kuei-hsien and Hsu Hsiang-chien. Others attending included distinguished guests from Laos now receiving medical treatment in the Chinese capital: Phoumi Vongvichit, General Secretary of the Central Committee of the Lao Patriotic Front, Vice-Premier of the Lao Provisional National Union Government and Minister for Foreign Affairs, and Tiao Souk Vongsack, Member of the L.P.F. Central Committee and Minister of Information, Propaganda and Tourism of the L.P.N.U.G.

Ambassador Nguyen Trong Vinh and N.P.C. Standing Committee Vice-Chairman Wu Teh spoke at the reception.

In his speech, Ambassador Nguyen Trong Vinh gave an account of the achievements of the D.R.V.N. in struggle and in transforming society in all fields over the past 30 years, and of the Vietnamese people's victory in the struggle for complete national liberation. "Our people," he said, "have won glorious victories, regaining complete national independence and freedom, and at the same time, contributing their part to the struggle of the world's people against imperialism."

Speaking of the Vietnamese people's achievements in economic construction, the Ambassador said: "There are over 1,300 factories at the central and local level of both heavy and light industry, we start to have an engineering branch and start to produce steel and iron." "Agriculture is stepped up in all fields" he added. "Output has been raised increasingly, thus opening up many good prospects." He pointed out that for a country which was a formerly backward colony and, further-

more, had been subject to repeated damages in war, the achievements recorded were miraculous.

He said: "During the past 30 years, the brilliant victories that have made profound changes in our country are due to the fact that our people have perseveringly and indomitably struggled under the leadership of the Viet Nam Workers' Party and our beloved leader Ho Chi Minh."

The Ambassador said: In the current new stage, it is the task of our people to defend the revolutionary gains, liquidate the consequences of the policy of neo-colonialism pushed by U.S. imperialism in the south, heal the wounds of war, and rehabilitate and develop the economy with a view to building a peaceful, united, independent, democratic and prosperous Viet Nam.

Ambassador Nguyen Trong Vinh spoke highly of the friendship between the peoples of Viet Nam and China and proposed a toast to the everlasting great friendship and militant solidarity between the Parties and peoples of the two countries.

Vice-Chairman Wu Teh, on behalf of the Chinese Communist Party and the Chinese Government and people, extended high respects and warm congratulations to the Viet Nam Workers' Party, the Government of the D.R.V.N. and the Vietnamese people.

He said: "The Democratic Republic of Viet Nam was born amidst the flames of the struggle against imperialism. The 30 years following the independence of Viet Nam, during which the Vietnamese people underwent tests of protracted wars, were full of victories for them. In the last dozen and more years in particular, the Vietnamese people, led by the Viet Nam Workers' Party and holding high the banner 'Firm resolve to fight and win' of President Ho Chi Minh, waged a vigorous people's war and finally defeated U.S. imperialist aggression, toppled the puppet regime and liberated south Viet Nam, thus winning the splendid victory of their war against U.S. aggression and for national salvation."

Wu Teh expressed the belief that the Vietnamese people, who have been tempered in protracted revolutionary wars, will surmount the difficulties on their road of advance and build Viet Nam into a peaceful, united, independent, democratic and prosperous country in not too long a period of time.

Wu Teh said: "China and Viet Nam are neighbouring fraternal socialist countries. The people of our two countries have always sympathized with and supported each other and have forged a profound militant friendship in the revolutionary struggle against imperialist aggression and oppression. The Chinese

(Continued on p. 18.)

Planned Purchase and Marketing of Grain

by the theoretical group of the Peking Municipal Grain Bureau

CHAIRMAN Mao recently pointed out: "Our country at present practises a commodity system, the wage system is unequal, too, as in the eight-grade wage scale, and so forth. Under the dictatorship of the proletariat such things can only be restricted. Therefore, if people like Lin Piao come to power, it will be quite easy for them to rig up the capitalist system." A policy of purchasing and supplying grain in a planned way (planned purchase and marketing for short) has been enforced throughout China since the end of 1953. To be specific, the state purchases the peasants' surplus grain according to plan while supplying grain also in a planned way to meet the needs of city (including town) inhabitants and those peasants who are short of food grain, and the grain market is under unified state control and no private management of grain is allowed, let alone speculative activities in it. This kind of planned purchase and marketing of grain is an important measure to limit the commodity system.

Grain is a very important strategic material. Production and distribution of grain is a matter of paramount importance in our country concerning the feeding of hundreds of millions of people, the speeding up of socialist construction and the consolidation of the worker-peasant alliance and the dictatorship of the proletariat.

In pre-liberation China under the reactionary rule of imperialism, feudalism and bureaucrat-capitalism, the grain production level was very low. The poor and lower-middle peasants had to hand over 50, 60, 70 or even 80 per cent of the grain they produced every year as land rent to the landlords and they were also subjected to usurious exploitation by grain dealers. In collusion with landlords and rich peasants, grain dealers monopolized the market, buying cheap and selling dear and using the important commodity grain as a way of amassing fortunes and exploiting the poor and lower-middle peasants. Due to the heavy exploitation by landlords, rich peasants and grain dealers, the poor and lower-middle peasants lived a miserable life and had to subsist on bran and herbs every year for as long as six months after their food grain had run out. Whenever a natural disaster struck, they had to sell their children, leave the land and go begging from place to place. Workers and other labouring people in the cities also found themselves in dire straits as a result of exploitation by industrial and grain-dealing capitalists. They were hardly able to keep the wolf from the door

with their meagre wages, and exploitation by grain speculators made life even harder for them.

Beat Back Attacks by the Bourgeoisie

With the establishment of socialist commercial departments after liberation in 1949, state-owned commerce began taking hold of the reins in the field of commodity circulation, thus ending the exclusive control of the market by capitalist commerce in pre-liberation days. This played an important part in stabilizing the people's livelihood, ensuring supplies in the market, keeping commodity prices stable, hitting hard at speculation and rehabilitating the national economy. However, at that time capitalist commerce still was so powerful that it was bound to continue to match strength with the proletariat.

When construction was started in 1953 under the First Five-Year Plan for the development of the national economy, the demand for marketable grain increased. But as agricultural producers' co-operatives had not yet been set up on an extensive scale in the rural areas and the individual economy remained the major economic sector in the countryside, grain increases resulting from the land reform which had liberated the rural productive forces still fell short of the needs for steady improvement in the people's livelihood and rapid development of construction. In these circumstances, urban and rural capitalist forces, taking advantage of free trade in grain, ganged up to carry out disruptive activities. Those rich peasants with surplus grain stockpiled it while awaiting the opportunity to sell it at high prices, and the bourgeoisie went in for speculation and hoarding and jacked up grain prices so as to create and enlarge the contradiction between supply and demand.

Such a state of affairs was a reflection of the sharp contradiction between the spontaneous forces of small production and the capitalist free market on the one hand and the state's planned economy on the other. This was a concentrated expression of the contradictions between the working class and the bourgeoisie and between socialism and capitalism on the question of grain after our country had entered the historical period of socialist revolution. If such a situation had been allowed to take its own course, the market inevitably would have been in greater disorder, stable prices and the secure life of the people would have been adversely affected, socialist construction and socialist

transformation could not have been carried out smoothly, capitalism would have spread unchecked and the newborn political power of the proletariat could not have been consolidated. Thus the state put into effect the policy of planned purchase and marketing of grain throughout the country at the end of 1953 as a restrictive measure on trade in grain. This policy imposes a restriction on the commodity system which inevitably exists under socialism and on the scope and extent of the role of the law of value, and it also is an important measure for implementing the Party's general line for the transition period.* Since it reflects the interests of the broad masses of the people, this policy was supported by the people of the whole country and at the same time met with inevitable resistance and attacks by the class enemies.

Struggle Between Restriction and Counter-Restriction

From the day planned purchase and marketing of grain was carried out at the end of 1953, the struggle between the two classes, the two roads and the two lines as well as the struggle between restriction and counter-restriction around this important policy has been very acute and complex. Exploiting the state of mind characteristic of the peasants who were petty proprietors, the bourgeoisie, landlords and rich peasants did all they could to rumour and instigate in a vain attempt to incite a part of the well-to-do peasants with serious spontaneous capitalist tendencies to be dissatisfied with this policy. Meanwhile, the struggle by law-breaking dealers in private-owned grain stores to seize the positions in the grain trade from socialist state-owned commerce did not cease. Continuing with their unabated speculative activities, they kept seeking an opportunity to make a breach in one place or another so as to attain their criminal aim of undermining the policy of planned purchase and marketing of grain. But the class enemies' schemes did not succeed because the peasants had raised their level of class consciousness as a result of education by the Party and actively supported the policy.

Representing in a concentrated form the desire of all class enemies for capitalist restoration, Liu Shao-chi, Lin Piao and other bourgeois agents like them who had sneaked into the Party always stood for freedom to trade and opposed any restrictions on the commodity system. As far back as the early years following the birth of New China, Liu Shao-chi and his followers raised the reactionary slogan of "four freedoms" (freedom to buy and sell land, hire labour, practise usury and engage in private enterprises), while Lin Piao also promulgated a decree to this effect in the area under his

leadership. When China's entire national economy ran into great difficulties arising from three successive years (1959-61) of serious natural disasters and the scrapping of agreements and contracts by the Soviet revisionist renegade clique, Liu Shao-chi and company raised a hue and cry about opening capitalist free markets.

Obviously, if we had done what they called for, grain would have been bought and sold freely and planned purchase and marketing of grain hamstrung. Had this happened, immeasurable harm would have been brought to the people's livelihood and to socialist revolution and construction and capitalism inevitably would have been restored. Lenin was exactly right when he said: "Freedom to trade in grain is a return to capitalism, to the full power of the landowners and capitalists, to a savage struggle between people for profit, to the 'free' enrichment of the few, to the poverty of the masses, to the eternal bondage." (*Freedom to Trade in Grain*.) By persisting in the policy of planned purchase and marketing of grain and in the unified market of a socialist nature, we effectively checked the freedom to trade advocated by Liu Shao-chi, Lin Piao and their kind. Practice in the past more than 20 years has proved that planned purchase and marketing of grain is a measure of great importance for consolidating the dictatorship of the proletariat and restricting bourgeois right.

Showing Superiority of the Socialist System

As a result of planned purchase and marketing of grain, the state has large quantities of marketable grain in its hands to ensure the needed supply for national construction and other fields and for the steady increase of state grain reserves. This fits in with Chairman Mao's great strategic principles "Be prepared against war, be prepared against natural disasters, and do everything for the people" and "Dig tunnels deep, store grain everywhere, and never seek hegemony" and is conducive to strengthening the economic base of the dictatorship of the proletariat.

Since grain is put entirely under the unified management of the state and individuals are prohibited from trading in it, the socialist organized and unified grain market has replaced the free grain market, thus blocking the road for urban and rural capitalist forces to speculate in grain and cutting the links between urban and rural capitalism in the important field of grain circulation. This has greatly weakened the influence of capitalism on the peasants and the spontaneous capitalist tendencies among them, quickened the pace of the socialist transformation of individual farming and promoted the socialist transformation of private-owned grain stores.

After planned purchase and marketing of grain went into effect, all work concerning grain, from production to distribution, has been brought into the orbit of state plans. And implementation of the principle of "plan first, price second" has tremendously restricted

* The transition period as referred to here covered the period from the founding of the People's Republic of China in 1949 to the basic completion of socialist transformation. Our Party's general line and general task in this period was to bring about, step by step and over a fairly long historical period, the socialist industrialization of China and the socialist transformation of agriculture, handicrafts and capitalist industry and commerce by the state.

the role played by the law of value. For instance, the average purchasing prices of grain have doubled those of 1950, but retail prices have shown little changes. To ensure the living standards of urban workers and staff members, the state covers the expenses involved in the course of storing, transporting and selling the grain it has bought.

The planned supply of grain by the state has completely done away with the extremely irrational distribution of grain, a common phenomenon in old China, and ensured the food grain supply for the urban and rural population.

The policy of planned purchase and marketing of grain embodies socialist mutual support between city and countryside, industry and agriculture, workers and peasants, areas with surplus grain and those short of it, areas with a rich harvest and those with a poor harvest and between the various areas in the nation; it also takes into account the interests of the state, the collective and individuals. This conforms with the fundamental interests of the people of the whole coun-

try. The implementation of this policy fully shows the superiority of the socialist system.

Planned purchase and marketing of grain has effectively restricted the negative role of the commodity system and the spontaneous role of the law of value. But as China in her present stage of development still practises a commodity system, the law of value remains operative to a certain extent. This being the case, old and new bourgeois elements are liable to engage in speculation with regard to grain, disrupt planned purchase and marketing, undermine the socialist planned economy and develop capitalism; some well-to-do peasants with serious spontaneous capitalist tendencies may, in pursuit of their own interests, go in for free trade in grain instead of selling to the state at the prices fixed by it. All this points to the fact that capitalism will still be engendered and the struggle between restriction and counter-restriction will remain long and acute. We must persist in carrying out socialist education among the peasants, keep waging struggles against all capitalist tendencies and continue to consolidate and expand the socialist positions.

Why Karl Marx Studied Political Economy

by Hsueh Kung

IN his *Preface to "A Contribution to the Critique of Political Economy,"* Marx sketched the course of his studies in political economy. Though he took up law in university, what he studied most were history and philosophy. As editor of the *Rheinische Zeitung* in 1842-43, he experienced for the first time the embarrassment of having to take part in discussions on the so-called material interests of the various classes in society. This provided the first occasions for occupying himself with economic questions. Later, his critical review of the Hegelian philosophy of right led to the important conclusion that legal relations as well as forms of state are to be grasped neither from themselves nor from the so-called general development of the human mind, but rather have their roots in the material conditions of life, the sum total of which Hegel combined under the name of "civil society" meaning in fact the capitalist mode of production. Since the anatomy of that mode of production is the task of the science of political economy, Marx began his studies in it.

Fundamentally speaking, what compelled Marx to turn to studies in political economy lay in the class struggle of the proletariat against the bourgeoisie. From the 1830s onwards, the bourgeoisie in Britain and France secured the political power they had seized and the class

struggle between the bourgeoisie and the proletariat was developing and taking more and more open and acute forms. In France, the Lyons workers staged two insurrections, one in 1831 and the other in 1834. The British proletariat launched the nationwide Great Charter Movement to win political rights in the 1830s and 1840s and textile workers in Germany's Silesia rose up in arms in June 1844. Though ending in failure, all these struggles marked the development of the international workers' movement towards independent political struggle.

However, what dominated the workers' movement at that time were various bourgeois, petty-bourgeois and utopian socialist trends of thought. The utopian socialists also criticized capitalist society and advocated doing away with it. They tried to persuade the rich that exploitation was immoral and dreamt of the emergence of a better system. But utopian socialism "could not explain the essence of wage slavery under capitalism, nor discover the laws of the latter's development, nor point to the social force which is capable of becoming the creator of a new society" (Lenin: *The Three Sources and Three Component Parts of Marxism*); it could only sink into day-dreaming. The in-depth development of the proletarian revolutionary struggle urgently needed guidance by scientific revolutionary theory and called

for eradication of the influence of bourgeois trends of thought and utopian socialism on the workers' movement. It was for the very purpose of laying the theoretical foundation for the proletarian revolution that Marx studied political economy.

Over a long period covering several decades, Marx personally participated in the practical class struggle of his time. While applying materialist dialectics to sum up the experience of the proletarian revolutionary struggles, he did a great amount of theoretical study. Inheriting the outstanding results of studies by his predecessors and incisively analysing the capitalist mode of production, he wrote *Capital*, thus completing the criticism of the bourgeois political economy and creating the Marxist one.

In *Capital*, a splendid and voluminous work of science, Marx, "beginning with the commodity, the simplest element of capitalism, . . . made a thorough study of the economic structure of capitalist society." (Mao Tsetung: *Rectify the Party's Style of Work*.) Proceeding from an analysis of the commodity, he scientifically expounded and proved the contradictions between use value and value, between concrete and abstract labour and between individual and social labour, and this led to the discovery that these contradictions consist of the rudiments of all antagonisms and conflicts in capitalist society.

On the basis of the labour theory of value, Marx profoundly analysed the origin of surplus-value, unveiled the secret of workers' exploitation by capitalists and elucidated the deep economic roots of the class struggle between the bourgeoisie and the proletariat. In the light of a scientific analysis of capital accumulation, he disclosed the basic contradiction in capitalist society—that between socialized production and capitalist form of appropriation of the fruits of production, pointed to the proletariat's great historical mission and reached the revolutionary conclusion that socialism is bound to replace capitalism and the dictatorship of the proletariat is bound to replace the dictatorship of the bourgeoisie.

With the theory of surplus-value as its cornerstone, Marxist political economy is, in essence, based on the materialistic conception of history, and the creation of the former in turn scientifically proves the latter. Engels pointed out in *Anti-Duhring*: "These two great discoveries, the materialistic conception of history and the revelation of the secret of capitalistic production through surplus-value, we owe to Marx. With these discoveries socialism became a science."

Marxist political economy is a science for the proletarian revolution and an important component part of Marxism. Lenin pointed out: "The most profound, comprehensive and detailed confirmation and application of Marx's theory is his economic doctrine." (Karl Marx.) The scientific conclusions in Marxist political economy have armed the proletariat ideologically and theoretically and guided the proletariat of various countries to

fight for the overthrow of capitalism and the realization of communism.

A science dealing with the relations of production, political economy is of a strong class nature and Party character. In class society, the relations of production are nothing but class relations, and the studies of the former are bound to directly involve the fundamental vital interests of different classes. In his preface to the first German edition of *Capital*, Marx pointed out: "In the domain of Political Economy, free scientific inquiry meets not merely the same enemies as in all other domains. The peculiar nature of the material it deals with, summons as foes into the field of battle the most violent, mean and malignant passions of the human breast, the Furies of private interest."

In the course of studying political economy and writing *Capital*, Marx met with one obstacle after another as well as inconceivable difficulties. Apart from fighting political persecution by the reactionary governments of various European countries, he had to rebut the wildest and most barbarous personal attacks by bourgeois scholars. More often than not he had to grapple with poverty caused by the capitalist system. Living in destitution, several of his children died of disease in their childhood. When Marx was to send his finished manuscripts of *A Contribution to the Critique of Political Economy* to the press, he could not even afford to buy the stamps. Poverty seemed to have driven Marx and his family into an impasse. But undaunted by these difficulties, he pressed forward with unmatched revolutionary will and determination and took an active part in revolutionary practice all his life, fighting heroically for the creation of the proletarian revolutionary theory. Even on March 14, 1883 when Marx breathed his last in his armchair, the manuscripts of the third volume of *Capital* which he had been revising were spread on his desk.

To overthrow reactionary capitalist rule, it is necessary to study political economy well. Today it remains necessary to study it well in order to consolidate the dictatorship of the proletariat in China. In his important instruction on the question of the theory of the dictatorship of the proletariat, Chairman Mao, applying the Marxist world outlook and methodology to observe and analyse socialist society, put forward a host of cardinal theoretical and practical questions to be solved in the historical period of socialism and set the important militant tasks of combating and preventing revisionism and deepening the socialist revolution. The system of ownership, distribution according to work, commodity system and exchange through money as mentioned in his important instruction on the question of theory are all basic theoretical questions in Marxist political economy. Therefore, only by studying Marxist political economy well and going into the thick of practical struggle to carry out investigation and study can we arrive at a better understanding of these basic principles and have a clear picture of the law of class struggle in socialist society, so as to help consolidate the dictatorship of the proletariat.

After liberation the imperialists could no longer bleed the Chinese people white. But they still tried to strangle us economically, particularly since they were under the illusion that we depended on their grain handouts.

The Chinese people have backbone. Led by Chairman Mao and the Communist Party, we restored and developed agricultural production with priority to grain production through self-reliance, and solved the food problem of hundreds of millions of people. Recalling this experience the Nantung commune members realized that raising grain output is not only an economic problem, but a matter of great importance concerning the consolidation of our country's independence.

They also dwelt on the significance of increasing grain in connection with preparation against war and natural disasters. Taking the country as a whole, we had achieved self-sufficiency in grain. If a certain prefecture was insufficient in grain and depended on state grain over a long period of time, it would increase transport difficulties and impose burdens on the state.

The commune members recalled this incident: One particularly cold winter boats bringing in state grain were held up because the rivers in Chitung County of Nantung were frozen over. The county Party committee mobilized a contingent of commune members 100,000 strong to break the ice section by section so that the rice could reach Chitung where one million people awaited its arrival. The discussion helped them understand how necessary it was for the entire country and every prefecture in it to have grain in reserve.

The importance of growing more grain was clear. But if more land was taken up for grain, wouldn't cotton production suffer? Some said: "If two trades are practised at the same time, one is bound to fail." But the majority thought differently: Agriculture is the foundation of the national economy, while grain is the foundation of agriculture. The policy shaped by Chairman Mao to "take grain as the key link and ensure an all-round development" points out the decisive role of grain production on the one hand but also stresses the importance of developing industrial crops, forestry, animal husbandry, side occupations and fishery. Contradiction is certain to arise in developing grain and cotton simultaneously, since both require land and manpower. But they also promote each other. For instance, more grain means more fodder. And this means more pigs and more fertilizer, which in turn will promote cotton production. On the other hand, raising more grain for

food makes it possible to speed up the development of industry and other socialist construction.

Some commune members were unwilling to increase grain production because their income was higher if they grew only cotton. After discussion they reached a new understanding: Production teams which are grain-poor because they go in for industrial crops receive food grain from the state at fair and stable prices. Apart from encouraging the development of industrial crops, this also manifests the superiority of the socialist system. But the notion that the state is duty-bound to supply grain to cotton-growing areas is incorrect. New socialist peasants do not focus on their own interests, but take into consideration socialist construction as a whole. Wherever conditions permit, a cotton-growing area should not only produce more and better cotton, but should also increase grain output so as to contribute more to the state.

Through repeated discussions, the cadres' and commune members' consciousness of farming for the revolution was heightened; they made up their minds to depend on themselves for food grain,

The Masses Are Resourceful

Having reached unity in thinking, the masses were determined to go ahead; but still, concrete problems remained to be solved.

Chairman Mao has taught us: "Once the masses know the truth and have a common aim, they will work together with one heart." (*A Talk to the Editorial Staff of the "Shansi-Suiyuan Daily."*) In Nantung Prefecture, with its limited farmland and big population, the contradiction between growing industrial crops and grain centred on land, fertilizer and manpower. But now that the masses were mobilized, ways and means were found.

First, planting was carried out strictly according to plan. That is, land for grain, cotton and other industrial crops was allocated in a unified way throughout the prefecture. Production norms for different crops were set and the commune members went all out to fulfil these norms. Such a programme, impossible in the small-peasant economy of the old society, was feasible only after the setting up of the people's communes.

The commune members also went in for large-scale capital construction of farmland. In Hai'an County, where natural conditions were the most unfavourable of the six counties in Nantung Prefecture, production went up a bit after liberation, but the level was still low. Chairman Mao's call, "In agriculture, learn from

Tachai," pointed a way out for the Haian people. They determined to follow the example set by the Tachai Production Brigade, national pace-setter in agriculture, and to go in for transforming nature through self-reliance and hard struggle.

Haian changed enormously when the masses, pooling their efforts, went in for water conservancy projects and transforming farmland for several years in a row. In 1974 the per-hectare yield of grain as compared with 1965, the year before the Great Proletarian Cultural Revolution started, was 2 times as high, and that of cotton, 2.3. The county's 890,000 people are now self-sufficient in grain and supply large amounts of marketable grain and cotton to the state. In addition they have brought about all-round development of forestry, animal husbandry, side occupations and fishery.

The second method taken by the Nantung people was to enlarge the area under cultivation and introduce inter-cropping. All six counties of Nantung which have big populations but limited farmland did their best to increase arable land acreage. Jutung County, for example, did well. Between busy seasons every year since 1970 big efforts have been made to enclose beaches and turn them into cropland. As a result, the county has brought an additional 10,000 hectares of land under cultivation in the past five years. In the meantime, a three-crop system which raises land utilization by 140 per cent has been widely popularized in every county.

A further method was to increase fertilizer by "walking on two legs." Each county has its own chemical fertilizer plant, this is one "leg." The other "leg"

is to increase organic fertilizer in a big way by raising more pigs, cultivating green manure, dredging for river-mud and gathering water-weeds. In Jutung County there were 80 per cent more pigs in 1974 than in 1964. And there were 100 tons of organic fertilizer to every hectare of paddyfield. This greatly alleviated the contradiction between grain and cotton over fertilizer.

Ultimately of course the fundamental way out for agriculture is through mechanization. At present, every county in Nantung has a farm machinery plant which can put out diesel engines and other equipment. There are also machine repair shops in every county, people's commune and production brigade. In Jutung County, farming techniques which have been mechanized or semi-mechanized include ploughing, harvesting and threshing of grain, irrigation, and processing of farm and side-line products. This has gone far to solve the problem of labour shortage due to raising both cotton and grain.

This is how Nantung Prefecture gradually attained self-sufficiency in grain while increasing cotton production.

In the past ten years deliveries from the prefecture to the state included:

225,000	tons of marketable grain
1,550,000	tons of ginned cotton
100,000	tons of jute
5,263	tons of peppermint oil
12.45	million pigs.



Peasants of Haian County spreading fertilizer in paddyfields.

Soviet Collective Farms Degenerate

SOVIET collective farms have turned from undertakings of the socialist collective economy into those of a capitalist economy.

Not every kind of co-operative system falls into the category of socialist collective ownership. The nature of a co-operative system is connected with a given state power and with the economic form that holds the dominant position. In the Soviet Union under the revisionist renegade clique, state power has degenerated into a dictatorship of the big bourgeoisie and the dominant state-owned economy has been reduced to a bureaucrat-monopoly bourgeois economy. Therefore, the Soviet collective farms are no longer undertakings of the socialist collective economy.

The actual relationship between members of collective farms and the means of production attests to the degeneration of collective ownership. Abusing the state power in its hands, the Soviet revisionist renegade clique has usurped the leadership of the collective farms by replacing their former leading cadres with large numbers of its agents under the pretext that the "educational level" of cadres of worker and peasant origin is "very low" and the farms should be led by "experts" with "specialized education." These new bourgeois elements in the rural areas monopolize all power on collective farms in matters of production, materials, finance, distribution and personnel management and carry out in an all-round way the line of restoring capitalism on the farms. Under the Soviet revisionists' Standard Regulations for Collective Farms and Standard Rules for Internal Regulation of Collective Farms, collective farm chairmen are empowered to dispose of farm property and funds, draw up production plans, buy or sell machines and other means of production freely, sell farm and animal products without restraint, lease or transfer the farms' land, decide on farm members' remuneration and bonuses and punish members by administrative and economic means.

Capitalist Management

The principle of socialist management on collective farms has been scrapped in favour of a revisionist line which makes "profits in command" and "material incentives" its core. Making money has become the ultimate aim of all collective farm activities and material incentives are the principal means of achieving this. First pushed by Khrushchov, this revisionist line has been greatly stepped up and developed by Brezhnev. At the plenary session of the central committee of the Soviet revisionist party in March 1965,

which was extolled as having "worked out the principled basis of the C.P.S.U. policy on present-stage agriculture," Brezhnev babbled that "the level of profit-making should become the basis for the objective assessment of the management of collective farms and state farms." He proposed the extensive use of "economic incentives" in "all realms" of productive activities on collective farms and state farms and advertised that "various measures of economic incentives" will become "one of the most important levers" in "raising labour productivity" and "overcoming backwardness in agricultural production." To carry out such a profit-making capitalist management principle, the Soviet revisionists have taken a series of measures and used all "economic levers" to stimulate the growth of capitalist forces in the countryside.

Production arrangements on collective farms are now determined by the amount of profit from farm and animal products. The capitalist law of value again plays the role of production regulator. To make super-profits and get bonuses, collective farm leaders try their utmost to develop and expand those departments which earn more income and profit while they pare down or even abandon those with less income and profit. For example, livestock breeding has long been the most backward department in agriculture mainly because it requires more labour and money to produce animal products which yield little profit or even incur losses. This has brought dislocation and confusion in various agricultural departments like farming and livestock breeding.

Collective Farm Members Reduced to Wage Labourers

Along with the change in the ownership which plays a decisive role in the relations of production, radical changes also have taken place in the other two fields of the relations, that is, the mutual relations between people in the process of production and the mode of distribution. The relationship between those who exercise leadership on collective farms and the farm members is no longer one of social division of labour, but between employer and employee, and between oppressor and oppressed.

The collective farm members are denied all power. In the Standard Regulations for Collective Farms, despite the stipulation that the collective farm will "exercise leadership in all activities in the fields of organization, production, finance, cultural life and education" through its managing council and that its chairman will be "elected at the meeting of collective farm members,"

most farm chairmen are assigned from above. They often have protectors in higher organizations and no one can touch them. The managing council is purely nominal. The farm chairman is the "natural" chairman of the managing council who takes all power into his own hands, has the final say in the council and can even create a situation in which all farm members are deprived of the right to carry out supervision over the council. The farm authorities can usually make regulations as they wish to punish farm members.

Viewed from the mode of distribution, the exploitation of man by man again is practised on Soviet collective farms. The socialist principle "to each according to his work" is violated. The farm members' labour remuneration is merely the price and value of their labour power in a modified form. Part of their surplus-value is grabbed by the bureaucrat-monopoly bourgeoisie in the name of the "state" through income tax, interest on bank loans and price disparity between industrial goods and farm produce. The other part goes to the farm authorities through such "legal forms" as high salaries and bonuses, as well as illegal means. Reduced to the status of hired labourers earning their living by selling labour power, farm members must do back-breaking jobs, working the longest hours while getting the lowest pay. According to official Soviet figures, there are about 30 million collective farm members, nearly 30 per cent of the total rural population, whose remuneration from the farms and income from side-occupations are insufficient to maintain what the Soviet revisionists themselves regard as the lowest living standards.

Upstarts Multiplying

The salaries of those usurping farm leadership are several times, a dozen times or even 20-30 times those of ordinary farm members. Moreover, they have all kinds of additional remuneration and bonuses of which profit bonuses allocated from the material encouragement fund and bonuses allocated from the state fund because of deliveries exceeding the required quota

amount to 60 per cent of the yearly salaries at the highest, or to 70 per cent in the land reclamation areas. To obtain bonuses by trickery, collective farm authorities have used such sordid practices as lowering their planned targets and cheating on the quantities of farm produce delivered. Thus, without much effort, they line their pockets with large amounts of rubles.

In addition to salaries and bonuses which are the "lawful income" of collective farm leaders according to regulations, they obtain illegally large amounts of income by embezzling and stealing, speculation and extortion. By these "lawful" and unlawful means, they greedily squeeze the blood and sweat out of the collective farm members, thus exacerbating polarization in the countryside.

The all-round capitalist restoration line pursued by the Soviet revisionists in agriculture has not only changed the nature of collective farm ownership but also expedited the development of private capitalism in the countryside. The private economy in the Soviet Union today accounts for a considerable portion of the commodities in circulation. The Soviet press admitted in 1972 that commodities supplied by individual side-occupations constituted 12 per cent of marketable farm products. (This is obviously a watered down figure. According to Western sources, it has been estimated at about 25 per cent.) One-third or more than half of some farm and animal products are supplied by the private economy.

Speculation is rampant in today's Soviet countryside and speculators, upstarts as well as owners of underground farms and underground livestock farms are multiplying. Private capitalist economy is rife everywhere and has become virtually legal. The Brezhnev clique is its political representative.

The all-round restoration of the capitalist relations of production has seriously disrupted the agricultural productive forces. This is the root cause of the long-existing backwardness in agricultural production under the rule of Soviet revisionism.

(Continued from p. 9.)

people highly treasure this friendship because it is in the fundamental interests of the Chinese and Vietnamese peoples."

"We sincerely wish that the militant friendship between the Chinese and Vietnamese peoples will grow stronger and develop continuously," he concluded.

Chinese Delegation in Hanoi

The Chinese Party and Government Delegation arrived in Hanoi on August 31. It was received by Le

Duan, First Secretary of the Central Committee of the Viet Nam Workers' Party, Truong Chinh, Member of the Political Bureau of the Party Central Committee and Chairman of the Standing Committee of the D.R.V.N. National Assembly, and Pham Van Dong, Member of the Political Bureau of the Party Central Committee and Premier of the Government of the D.R.V.N. The delegation, which attended a ceremonious meeting and reception in the D.R.V.N. capital, also laid a wreath at the Mausoleum of President Ho Chi Minh and called on the south Vietnamese delegation taking part in the 30th D.R.V.N. National Day celebrations.

Soviet Agriculture in a Mess

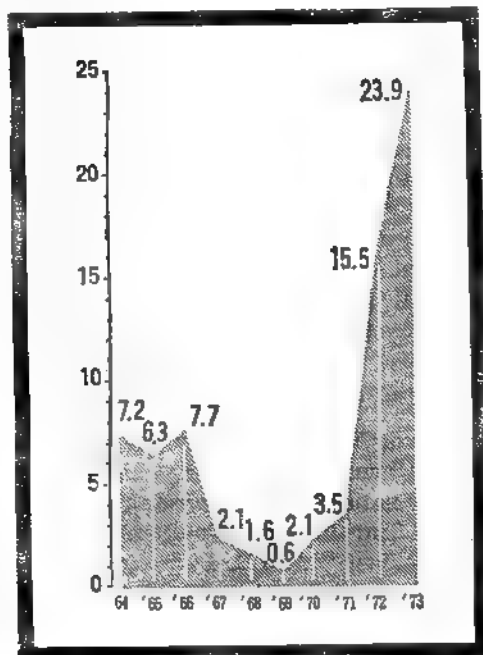
THE agricultural productive forces in the Soviet Union have been seriously damaged as a result of revisionist rule.

The decade from Brezhnev's climb to power to 1974 witnessed six years of reduced grain output as compared with the previous year, and four of those years saw a drop of 13-30 million tons at a rate of 7-20 per cent.

Production of wheat, a major Soviet crop, was even more shaky. Output declined for 13 years in the 1954-74 period, with the rate of drop reaching 13-30 per cent in seven years. It occurred four times that two consecutive years saw declines.

Grain production went from bad to worse in the four years (1971-74) of the ninth five-year plan which was greatly boasted about by the Soviet revisionist renegade clique. Production decreased in three out of four years and the 1974 harvest was 27 million tons less than in 1973.

The following chart shows Soviet grain imports in the past ten years.



(unit: one million tons)

Six Agriculture Ministers Replaced

There have been six switches of agriculture ministers since the Soviet revisionist renegade clique came to power. This is a reflection in one aspect of the failure of the Kremlin rulers' agricultural policy and an exposure of the bitter quarrel among them over this policy.

September 5, 1975

The ministers were replaced in March 1955; December 1960; April 1962; March 1963; February 1965 and February 1973.

Victims of Soviet Grain Buying Spree

THE Soviet Union recently purchased colossal amounts of grain abroad. Western news agency reports said that in the July-August period alone, it had brought a total of over 16 million tons of grain from the United States, Canada, Australia and other countries. This has brought about a new price hike on the international market.

This is not the first time that a Soviet grain rush on the world market has sent prices soaring. The Soviet Union made heavy purchases of grain abroad in 1972 because of serious crop failure. It bought from the United States 19 million tons of grain valued at 1,000 million dollars, including 11 million tons of wheat, about one-fourth of that year's U.S. crop. This sent prices up on both U.S. and world markets. Even more despicable, the Soviet Union, taking advantage of the price rise, engaged in grain speculation by reselling part of the imported wheat at high prices on the world market.

Third world countries are the first to fall victim to the grain price boost on the international market. Many of them have not become self-sufficient in grain because of the single-product economy resulting from past colonial rule. Since independence, they have developed agriculture, especially grain production. But they still have to rely more or less on imports at present.

The following figures are revealing.

U.S. wheat No. 2 (per ton) F.O.B.

Year	dollars
1972	70
1973	139
1974 (February)	220

U.S. corn (per ton) F.O.B.

Year	dollars
1972	56
1973	98
1974 (July)	135

Total value of third world countries' grain imports	
1970-1972	over 3,100 million U.S. dollars (annual average)
1973	over 8,200 million U.S. dollars
1974	over 11,200 million U.S. dollars

From the above it can be seen how enormously the third world countries have suffered.

In an August 16 article this year, the Venezuelan paper *El Universal* pointed out that massive Soviet purchases of grain abroad are detrimental to the interests of small grain-importing countries. The article recalled that the Soviet Union purchased a consignment of wheat from the United States at a low price in 1973. The Russians then resold it on the international market at higher

prices. "The big sale of this kind of grain alone has caused disequilibrium on the international market and brought on price confusion. With grain prices rising, we can only buy the wheat we need at much higher prices."

The article stressed that the 1973 situation, and even a worse one, would reappear because of the Soviet Union's heavy wheat purchases.

The grain price rise on the international market also is detrimental to the interests of the labouring people in the United States and other capitalist countries. U.S. retail food prices climbed 14.5 per cent in 1972 and 1973, causing the inflation-ridden American people to fare still worse. Apart from a few grain exporters like the United States, Canada and Australia, many of the Western capitalist countries have to import grain. The labouring people in these countries also are the victims

of soaring grain prices. The longshoremen in the United States and on the east seaboard of Canada have refused to load grain for the Soviet Union, expressing the protest of the U.S. and Canadian people against its grain rush.

Since the end of 1974, grain prices have gradually dropped because of a favourable turn in world cereal production and the economic crisis in capitalist countries. It was reported by the Japanese paper *Keizai Shimbun* on May 7 that prices of soybeans, corn and wheat dropped 30 to 40 per cent by February this year, compared with those in the autumn of 1974. It is against this background that the Soviet Union has gone on a shopping spree for huge amounts of grain. This is again leading to price rise which will once more harm the third world countries and the labouring people of the Western capitalist countries.

Moscow Steps Up Interference in Angola

SOVIET social-imperialism of late has been revving up its underhand interventionist activities in Angola. Fomented by Moscow, the civil war there has been spreading from Luanda and Lobito to many other places, greatly impairing the independence of the people of Angola. On August 14, the Portuguese authorities, taking advantage of the split and paralysis in the transitional government, issued a unilateral statement to resume government power of that country. This was followed by another official announcement on August 29 suspending the Alvor agreement on Angolan independence.

The three Angolan liberation organizations, born in the high tide of the African national-liberation movements in the 60s, have persisted in protracted armed struggle against Portuguese colonial rule and contributed to the cause of Angola's liberation and independence. All have won recognition and support from the Organization of African Unity. Though differences of one sort or another exist among them for regional, tribal and historical reasons, they share the major objective of opposing Portuguese colonial rule and striving to win independence for Angola. Last January, the three organizations joined forces in negotiating with the Portuguese Government to reach the Alvor agreement on Angola's independence and jointly formed a transitional government.

The people of Angola and other African countries were overjoyed at the unity of the three organizations and Angola's independence in the coming November. However, at this crucial moment, the Soviet social-imperialists engaged in flagrant activities of interference in Angola.

The Soviet revisionists started interfering by undermining the unity of the three organizations. TASS news

agency, *Pravda*, *Izvestia* and the *New Times*, with an ulterior motive, describe one group as "revolutionary" "patriotic forces" while maligning the other two groups as "reactionary," "Rightist forces" and so on. Making no secret of its sinister desire to wreck the agreement on coalition government by the three organizations, Moscow urged "the transference of political power into the hands of the representatives of patriotic forces." (*Pravda*, July 15.) All this publicity serves as a prelude to large-scale civil war in Angola.

The Soviet revisionists, moreover, sent large quantities of arms to Angola for one group to fight the other two. The *British Foreign Report* noted that "the Russians have been unloading most of the AK-47 rifles, mortars, rocket launchers, armoured cars and SAM-7 missiles" destined for a liberation movement of Angola and "one observer has reported two boat-loads of arms (from the Soviet Union) arriving every week over the past three months."

It is noteworthy that in the whole course of the Angolan people's armed struggle against the Portuguese colonialists for national liberation, the Soviet Union had never supplied arms in so large a quantity to an Angolan liberation organization. J.E. Pincock, Member of the Political Bureau of the Angolan National Liberation Front (FNLA), pointed out recently that today when Angola is on its way to independence, the Soviet Union is furnishing one of the Angolan liberation organizations with armoured cars and missiles which it never supplied during the 15 years of struggle against Portuguese colonialism. What is more, the Soviet Union has sent many military personnel to Angola to work out manoeuvres behind the scenes and direct military operations, directly involving them in the civil war there. Soviet

(Continued on p. 22.)

Peking Review, No. 36

ROUND THE WORLD

THAILAND

Ten Years of People's Armed Struggle

The Thai People's Liberation Army issued on August 6 a statement commemorating the tenth anniversary of the armed struggle of the Thai people, according to a broadcast by the Voice of the People of Thailand.

The past ten years, the statement said, was a period in which the people's armed forces and the revolutionary ranks grew in strength in the struggle to resist and smash the enemy's frantic suppression. All the reactionary administrations in the country invariably used large numbers of troops, police and other reactionary armed forces including U.S. troops and remnants of the Kuomintang 93rd Division to suppress the people's revolutionary movement. However, they could in no way stop or wipe out the people's armed struggle. On the contrary, the revolutionary people, under the leadership of the Communist Party of Thailand, were compelled to take up arms and set up their own revolutionary armed forces which have grown into today's Thai People's Liberation Army. This army expands its own forces by employing the strategy and tactics of people's war to fight and annihilate the enemy.

The statement added that the present capitalist world is still in a state of chaos under the repeated attacks of economic and political crises. U.S. imperialism is evidently going downhill following its disastrous defeat in the Indochina war. Taking advantage of this opportunity, Soviet social-imperialism is madly expanding its influence. This has sharpened the contradiction between the two superpowers in contending for world hegemony. On the other hand, they still collude with each other in their criminal attempt to undermine the revolution of the people all over the world. They have thus been strongly opposed by the

people of the world and have become more and more isolated. In the meanwhile, the forces of the world's people fighting for independence, democracy and socialism are developing by leaps and bounds.

The statement pointed out that the great victory of the Indochinese peoples has tipped the balance of forces in Southeast Asia increasingly in favour of the people's revolution. It once more has testified to the truth that a small country can defeat a big power like the United States.

The people can defeat the reactionary ruling class which is armed to the teeth, provided they dare to take up arms to wage struggle and follow the road of encircling the cities from the countryside, to seize political power by force, the statement stressed.

VENEZUELA

Oil Nationalization

President Carlos Andres Perez signed into law on August 29 the bill approved by the Chamber of Deputies and the Senate to nationalize the petroleum industry.

The bill provides that from January 1, 1976, petroleum exploration, exploitation, processing, refining, transportation and storage as well as marketing of petroleum and petroleum products at home and abroad will be controlled by the state and that together with their installations the concessions now held by foreign oil companies will revert to the state. Foreign companies will be given compensation in instalments, not exceeding the book value of their fixed assets. The bill also stipulates that in special cases and in conformity with the public interest, the government or the institutions concerned may sign contracts with foreign private companies to establish mixed companies, with domination by government shares ensured.

Venezuela ranks high among the world's oil producers. But for a long

time the oil resources were controlled by foreign capital (mainly U.S. capital) and large amounts of wealth were plundered from the country. By the end of 1974, foreign oil companies seizing 2.16 million hectares of concessions had controlled 97 per cent of Venezuela's oil production. Figures released by the Federation of Colleges of Accountants of Venezuela showed that in the 13 years from 1962 to 1974, foreign oil companies' net profits amounted to more than 44,500 million bolivares, equivalent to over 10,300 million dollars.

President Perez at the signing ceremony expressed confidence that the country can manage the petroleum industry well. He said: "In the petroleum enterprises, Venezuelan technicians and administrators will fully guarantee the efficiency and continuity of the administration of nationalized industry."

The President pointed to the need "to turn Venezuela's petroleum into an instrument of Latin American integration." "Latin America and all countries victimized by the economic totalitarianism of industrialized powers are on our side and are celebrating this courageous step with us," he said. "The third world countries will no longer permit the payment of paltry prices for their raw materials," he said, adding that the demand for "the establishment of a new international economic order has been proclaimed."

"This is just the beginning of the road to our economic independence," the President said. "Committed, without the possibility of retreat, to the great work of taking the initial step in Venezuela's economic liberation, I appeal to my compatriots to realize this task of all of us," he declared.

"EN MARCHA" (ECUADOR)

Opposing Maritime Hegemony

En Marcha, organ of the Central Committee of the Marxist-Leninist Communist Party of Ecuador, has in a recent article denounced the Soviet Union and the United States for pushing ahead with maritime hegemonism.

The article points out that internationally the two superpowers,

the Soviet Union and the United States, "pursue imperialist policies in their rivalry for hegemony to the detriment of the interests of the underdeveloped countries. They not only send big fishing fleets to invade all seas of the world, but also despatch menacing naval fleets to ply the waters everywhere, establish aggressive naval bases and dominate ports, canals and straits so as to exercise economic and military control."

The article says that the fallacies spread by the Soviet Union and the United States that the third world countries are "backward technically" and "incapable of developing marine resources" have been denounced by the third world countries and people. These fallacies have fully laid bare the ugly features of the imperialists.

The article recalls that the proposition advanced 20 years ago by Ecuador, Peru and Chile on the 200-mile maritime right for littoral countries has won sympathy and support from third world countries. The present surging waves of anti-imperialist struggle launched by peoples in Asia, Africa and Latin America and the struggles waged by many countries to defend state sovereignty and national resources have dealt a heavy blow at the imperialists in their efforts to press ahead

with the policy for maritime hegemony.

Concluding, the article says that the third world countries and people now realize more clearly than ever before that the struggle to defend the 200-mile maritime right is to defend their political and economic independence, and to safeguard their territorial integrity and sovereignty against the aggression and menace by the imperialist superpowers.

BRITAIN

Deepening Economic Crisis

Sharply mounting unemployment, declining industrial production, galloping inflation, a worsening foreign trade balance and steady fall in the pound's exchange rates — all this indicates the deepening of Britain's economic crisis.

According to official figures, the country's jobless total reached 1.25 million in August, an increase of 160,000 over July. The unemployment rate jumped from 4.7 to 5.4 per cent. In addition, large numbers of workers were working part-time.

Official sources also acknowledged that industrial production in the second quarter of this year fell 3.5 per cent from the first quarter. Steel output per week in July averaged only 266,300 tons, the lowest point since 1951, or 33.2 per cent below the figure a year earlier. July car pro-

duction this year nosedived 23 per cent from July last year, while commercial vehicle production was down 14 per cent.

Meanwhile, inflation was developing at a rate unprecedented since the end of World War II. The consumer price index rose 26.3 per cent in July compared with the same month a year ago; the increase rate that hit an all time high in Britain for the postwar period was the highest among major capitalist countries. Food prices now are 29.2 per cent higher than a year ago, which has reduced the people's real income.

The country's foreign trade balance is also worsening, with deficits registered nearly every month since the beginning of the year. July's foreign trade deficit stood at 294 million pounds — the biggest since last February.

The worsening economic situation accompanies the weakening of the position of the pound. Last June saw several records broken by the falling pound. Exchange rates have gone down continuously since the beginning of August.

On July 11 the British Government made public measures restricting wage increases. Facts, however, prove that these measures to tighten the belts of the people will not get Britain out of its worsening economic crisis.

(Continued from p. 20.)

warships in Lobito harbour in west Angola were reported to have recently launched rockets at the armed forces of another Angolan liberation organization.

The Soviet revisionists have long cast covetous eyes on Angola with its rich natural resources and strategically important position. They hope to seize the moment when the Angolan people are driving out the Portuguese colonialists to step in and bring Angola into the orbit of their neo-colonialist system. One Western newspaper disclosed: "The principal objectives of Soviet strategy are presumed to be gaining access to Angolan ports for its navy and establishing a sphere of influence in Southwestern Africa, where it now has none." The Kenyan *Sunday Nation*, denouncing Soviet interference in Angolan affairs, said that what the superpowers "normally want from Africa is to exploit the continent's mineral resources and establish military bases on African soil."

Moscow's activities against Angola are also prompted by its sinister design of disrupting African unity. It is creating and widening by hook or by crook the differences of opinion among the African countries over one issue or another in order to fish in troubled waters.

Soviet intrigues in Angola have aroused immense indignation from among the people there and met with strong condemnation by African public opinion. An Angolan source said that but for the Soviet intervention, the situation in the country would be far different from that of today. Many African countries have expressed great concern over the situation in Angola. The recent summit conference of the Organization of African Unity in Kampala decided to mediate differences between the three liberation organizations and promote unity between them for the realization of Angola's independence.

Angola belongs to the valiant Angolan people. Soviet intrigues to split and control the country are sure to meet with ignominious defeat.

ON THE HOME FRONT

Workers' Spare-Time Study Groups

THE number of Peking worker-activists in the study of theory has increased to 160,000 in the past three years. They represent a backbone force in such study.

In many factories and mines, these workers have formed spare-time study groups, each concentrating on a special subject, such as philosophy, political economy, scientific socialism, history, international affairs, and literary and art creation or reviews.

They also co-operate with professional theoretical personnel in writing books and articles to disseminate Marxism-Leninism-Mao Tsetung Thought, criticize the bourgeoisie and repudiate revisionism. In over a year they have written or edited 173 books and 1,200 articles.

The political economy study group of the Peking No. 3 General Machinery Plant, in co-operation with professional theoretical personnel, compiled a popular discourse on the subject and gave lectures to help other workers deepen their understanding of Chairman Mao's important instruction on the question of the theory of the proletarian dictatorship.

Members of specialized study groups in research have raised their theoretical level rapidly by concentrating on specific subjects in Marxism-Leninism. Many workers plan to read through the *Selected Works of Marx and Engels*, *Selected Works of Lenin* and *Selected Works of Mao Tsetung* systematically within the next few years.

Tea-Oil Production

CHINA has made big headway in tea-oil production in the hilly and mountainous areas of the south. Statistics now show that the country's total growing area is 20 per cent larger and 1974 tea-oil output was 50 per cent higher than that

of 1965, the year before the Great Proletarian Cultural Revolution.

The tea-oil tree is a perennial and one of main oil-bearing plants in China. As this tree can also withstand both dry and wet weather and do well on poor soil, it can be raised on barren mountain slopes. It bears fruit after five years, and will endure for 50 or 60 years and even 100 years with good soil and management.

Tea-oil is not only a good-quality edible oil which can be stored for a long time but also a raw material for making soap, margarine, hair oil, vaseline, lubricants and rust-proof oil. The shells and the oil-cakes have their uses too. Because of all this, more and more attention is being devoted to developing tea-oil.

Hunan Province, an important tea-oil growing area, has put more efforts into management of tea-oil trees while promoting grain production, and has had successive good harvests of tea-oil seeds since 1971. Although the province suffered serious drought last year, production of tea-oil doubled that of 1970.

While strengthening management of old tea-oil trees, many places take steps to plant new tea-oil forests on barren hills.

Old Folks Enjoy Happy Life

CARED for by the people's communes, widowed, childless or disabled old folks in the Chinese countryside, without relatives to stay with, live happily in homes for the aged or in their own production teams. Their food, clothing, fuel and burial are guaranteed.

A home for the aged in Yung-chiang People's Commune on the outskirts of the city of Ningpo, Chekiang Province, has 29 old people living in it. The average age is 76 with the oldest member 103. The home was set up in 1958 after the founding of the people's com-

mune. Every year the commune and its production brigades and teams set aside a certain amount of money for the home from their public welfare funds. Five attendants look after the old people, while cadres and peasants from the commune, production brigades and teams often visit them.

The families of many of these old people died out before liberation. In some cases husbands and sons, pressganged by the Kuomintang reactionaries, died in some distant provinces far from home. Most of them tend to be in poor health because of the miseries they suffered in the old days. Now in the homes for the aged they receive medical treatment and careful attention from doctors and attendants. Many have improved or even regained their health.

Hsia Chiao-yun, aged 103, remembers clearly the celebration of her 100th birthday at a gathering held at the home. Beaming with joy, she said: "I've lived through several changes of governments, but our socialist system is the only good one!"

The old people warmly love Chairman Mao and socialism and pay attention to state affairs. They study Chairman Mao's works, read newspapers and listen to the radio. Some are invited to help educate young people in nearby production teams, factories and schools by giving reports on class struggle and contrasting the bitterness of the past with their happiness today. Eighty-year-old Chu Sheng-hai sings folk ballads for the commune members which he himself has written praising the new society and Chairman Mao, and denouncing the evils of the old society.

The commune looks after the old people with great care, while they in turn are concerned about the collective. Those who are experienced in farm production act as advisers to the commune and brigades. Whenever production plans are made or important production problems are discussed, they actively offer their suggestions. Sometimes they go to inspect the fields on their own initiative.

MAGAZINES FROM CHINA

PEKING REVIEW a political, theoretical weekly

In English, French, German, Japanese and Spanish

Airmailed all over the world

CHINA PICTORIAL a large-format pictorial monthly

In 16 languages: Arabic, Chinese, English, French, German,

Hindi, Indonesian, Italian, Japanese, Korean, Russian, Spanish,

Swahili, Swedish, Urdu and Vietnamese

CHINA RECONSTRUCTS a richly illustrated monthly of general coverage on China

In Arabic, English, French, Russian and Spanish

CHINESE LITERATURE a periodical on Chinese literature and art

Monthly in English, quarterly in French. (The French edition

will be published monthly beginning January 1976.)

PEOPLE'S CHINA a comprehensive monthly

In Japanese

EL POPOLA CINIO a comprehensive monthly

In Esperanto

Subscriptions Are Welcome

Distributed by **GUOZI SHUDIAN** (China Publications Centre), Peking, China

Send orders or inquiries to your local dealer or write direct to

MAIL ORDER DEPT.
GUOZI SHUDIAN

P.O. Box 399, Peking, China